GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:2029
ANSWERED ON:13.03.2008
SELECTION OF DEALERS AND DISTRIBUTORSHIP OIL PSUS
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Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a): whether the oil marketing companies select dealers and distributorship on the basis of their guidelines;

(b): the extent of control by the Government on them;

(c): the arrangements made by the Government to ensure that no act of corruption and no work against public welfare is done; and

(d): the reasons for not carrying out work as per rules of the said arrangement?

Answer

MINISTER OF THE STATE IN THE MINISTRY OF PETROLEUM & NATURAL GAS (SHRI DINSHA PATEL)

(a) to (d): After dismantling of Administered Pricing Mechanism (APM) with effect from1.4.2002, based on certain broad parameters laid down by the Government, public sectoroil marketing companies (OMCs), frame their guidelines for the selection/appointmentof retail outlet dealerships and LPG distributorships, and have been making selectionsin terms of these guidelines.These guidelines, which are objective and transparent innature, provide for a detailed procedure to be followed by the OMCs in making selectionof dealers/distributors. This Ministry regularly reviews the Dealer Selection Guidelinesof OMCs and advises the required modifications to make the dealer selection transparent.The selection guidelines have also laid down a grievance/complaint redressal system forcomplaints related to dealer selection.Upon receipt of the complaint the same is investigatedby the concerned OMC and if the same is found to be established,appropriate action is taken.